

**COMMERCIAL GENERAL LIABILITY**  
**CG 21 47 10 93**

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## EMPLOYMENT-RELATED PRACTICES EXCLUSION

This endorsement modifies insurance provided under the following:

### COMMERCIAL GENERAL LIABILITY COVERAGE PART

**A.** The following exclusion is added to paragraph 2., Exclusions of COVERAGE A – BODILY INJURY AND PROPERTY DAMAGE LIABILITY (Section I – Coverages):

This insurance does not apply to:

"Bodily injury" to:

- (1) A person arising out of any:
  - (a) Refusal to employ that person;
  - (b) Termination of that person's employment; or
  - (c) Employment-related practices, policies, acts or omissions, such as coercion, demotion, evaluation, reassignment, discipline, defamation, harassment, humiliation or discrimination directed at that person; or
- (2) The spouse, child, parent, brother or sister of that person as a consequence of "bodily injury" to that person at whom any of the employment-related practices described in paragraphs (a), (b), or (c) above is directed.

This exclusion applies:

- (1) Whether the insured may be liable as an employer or in any other capacity; and
- (2) To any obligation to share damages with or repay someone else who must pay damages because of the injury.

**B.** The following exclusion is added to paragraph 2., Exclusions of COVERAGE B – PERSONAL AND ADVERTISING INJURY LIABILITY (Section I – Coverages):

This insurance does not apply to:

"Personal injury" to:

- (1) A person arising out of any:
  - (a) Refusal to employ that person;
  - (b) Termination of that person's employment; or
  - (c) Employment-related practices, policies, acts or omissions, such as coercion, demotion, evaluation, reassignment, discipline, defamation, harassment, humiliation or discrimination directed at that person; or
- (2) The spouse, child, parent, brother or sister of that person as a consequence of "personal injury" to that person at whom any of the employment-related practices described in paragraphs (a), (b), or (c) above is directed.

This exclusion applies:

- (1) Whether the insured may be liable as an employer or in any other capacity; and
- (2) To any obligation to share damages with or repay someone else who must pay damages because of the injury.

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**TOTAL POLLUTION EXCLUSION  
WITH A HOSTILE FIRE EXCEPTION**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

Exclusion f. under Paragraph 2., Exclusions of Coverage A – Bodily Injury And Property Damage Liability (Section I – Coverages) is replaced by the following:

----- This insurance does not apply to:

**f. Pollution**

- (1) "Bodily injury" or "property damage" which would not have occurred in whole or part but for the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of pollutants at any time.

This exclusion does not apply to "bodily injury" or "property damage" arising out of heat, smoke or fumes from a hostile fire unless that hostile fire occurred or originated:

- (a) At any premises, site or location which is or was at any time used by or for any insured or others for the handling, storage, disposal, processing or treatment of waste; or
- (b) At any premises, site or location on which any insured or any contractors or subcontractors working directly or indirectly on any insured's behalf are performing operations to test for, monitor, clean up, remove, contain, treat, detoxify, neutralize or in any way respond to, or assess the effects of, pollutants.

As used in this exclusion, a hostile fire means one which becomes uncontrollable or breaks out from where it was intended to be.

- (2) Any loss, cost or expense arising out of any:

- (a) Request, demand or order that any insured or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of pollutants; or
- (b) Claim or suit by or on behalf of a governmental authority for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of pollutants.

Pollutants means any solid, liquid, gaseous, or thermal irritant or contaminant including smoke, vapor, soot, fumes, acid, alkalis, chemicals and waste. Waste includes material to be recycled, reconditioned or reclaimed.

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**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **EXCLUSION – ENGINEERS, ARCHITECTS OR SURVEYORS PROFESSIONAL LIABILITY**

This endorsement modifies insurance provided under the following:

### **COMMERCIAL GENERAL LIABILITY COVERAGE PART**

The following exclusion is added to paragraph 2., Exclusions of COVERAGE A – BODILY INJURY AND PROPERTY DAMAGE LIABILITY (Section I – Coverages) and paragraph 2., Exclusions of COVERAGE B – PERSONAL AND ADVERTISING INJURY LIABILITY (Section I – Coverages):

This insurance does not apply to "bodily injury", "property damage", "personal injury" or "advertising injury" arising out of the rendering of or failure to render any professional services by you or any engineer, architect or surveyor who is either employed by you or performing work on your behalf in such capacity.

Professional services include:

1. The preparing, approving, or failing to prepare or approve, maps, shop drawings, opinions, reports, surveys, field orders, change orders or drawings and specifications; and
2. Supervisory, inspection, architectural or engineering activities.

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**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

**WAIVER OF TRANSFER OF RIGHTS OF RECOVERY  
AGAINST OTHERS TO US**

This endorsement modifies insurance provided under the following:  
COMMERCIAL GENERAL LIABILITY COVERAGE PART

**SCHEDULE**

**Name of Person or Organization:** As required by written contract.

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(If no entry appears above, information required to complete this endorsement will be shown in the Declarations as applicable to this endorsement.)

The TRANSFER OF RIGHTS OF RECOVERY AGAINST OTHERS TO US Condition (Section IV – COMMERCIAL GENERAL LIABILITY CONDITIONS) is amended by the addition of the following:

We waive any right of recovery we may have against the person or organization shown in the Schedule above because of payments we make for injury or damage arising out of your ongoing operations or "your work" done under a contract with that person or organization and included in the "products-completed operations hazard". This waiver applies only to the person or organization shown in the Schedule above.

POLICY NUMBER: 4 003 527 GLP

COMMERCIAL GENERAL LIABILITY  
CG 20 10 03 97

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

**ADDITIONAL INSURED – OWNERS, LESSEES OR  
CONTRACTORS – SCHEDULED PERSON OR  
ORGANIZATION**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

**SCHEDULE**

**Name of Person or Organization:** As required by written contract.

(If no entry appears above, information required to complete this endorsement will be shown in the Declarations as applicable to this endorsement.)

**Who Is An Insured (Section II)** is amended to include as an insured the person or organization shown in the Schedule, but only with respect to liability arising out of your ongoing operations performed for that insured.



**COMMERCIAL GENERAL LIABILITY**

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

**AMENDMENT-AGGREGATE LIMITS OF INSURANCE  
(PER LOCATION)**

This endorsement modifies insurance provided under the following:

**COMMERCIAL GENERAL LIABILITY COVERAGE PART.**

The General Aggregate Limit under LIMITS OF INSURANCE (Section III) applies separately to each of your "locations" owned by or rented to you.

"Location" means premises involving the same or connecting lots, or premises whose connection is interrupted only by a street, roadway, waterway or right-of-way of a railroad.

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## ADDITIONAL INSURED – VENDORS

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART  
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART

### SCHEDULE

Name of Person or Organization (Vendor): As required by written contract.

----- Your Products: All products of Named Insured. -----

(If no entry appears above, information required to complete this endorsement will be shown in the Declarations as applicable to this endorsement.)

WHO IS AN INSURED (Section II) is amended to include as an insured any person or organization (referred to below as vendor) shown in the Schedule, but only with respect to "bodily injury" or "property damage" arising out of "your products" shown in the Schedule which are distributed or sold in the regular course of the vendor's business, subject to the following additional exclusions:

1. The insurance afforded the vendor does not apply to:
  - a. "Bodily injury" or "property damage" for which the vendor is obligated to pay damages by reason of the assumption of liability in a contract or agreement. This exclusion does not apply to liability for damages that the vendor would have in the absence of the contract or agreement;
  - b. Any express warranty unauthorized by you;
  - c. Any physical or chemical change in the product made intentionally by the vendor;
  - d. Repackaging, unless unpacked solely for the purpose of inspection, demonstration, testing, or the substitution of parts under instructions from the manufacturer, and then repackaged in the original container;
  - e. Any failure to make such inspections, adjustments, tests or servicing as the vendor has agreed to make or normally undertakes to make in the usual course of business, in connection with the distribution or sale of the products;
  - f. Demonstration, installation, servicing or repair operations, except such operations performed at the vendor's premises in connection with the sale of the product;
  - g. Products which, after distribution or sale by you, have been labeled or relabeled or used as a container, part or ingredient of any other thing or substance by or for the vendor.
2. This insurance does not apply to any insured person or organization, from whom you have acquired such products, or any ingredient, part or container, entering into, accompanying or containing such products.

**COMMERCIAL GENERAL LIABILITY**

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

**MOTOR VEHICLE LAWS**

This endorsement modifies insurance provided under the following:

**COMMERCIAL GENERAL LIABILITY COVERAGE PART.**

The following are added to COMMERCIAL GENERAL LIABILITY CONDITIONS (Section IV):

1. When this Coverage Part is certified as proof of financial responsibility for the future under the provisions of any motor vehicle financial responsibility law, the insurance provided by the coverage part for Bodily Injury Liability or Property Damage Liability will comply with the provisions
2. of the law to the extent of the coverage and limits of insurance required by that law. With respect to "mobile equipment" to which this insurance applies, we will provide any liability, uninsured motorists, underinsured motorists, no-fault or other coverages required by any motor vehicle insurance law. We will provide the required limits for those coverages.



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COMMERCIAL GENERAL LIABILITY

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**SELF-INSURED RETENTION ENDORSEMENT- C**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

**SCHEDULE**

Coverage	Amount and Basis of Self-Insured Retention	
Bodily Injury Liability	\$	per "claim"
	\$	per "occurrence"
Property Damage Liability	\$	per "claim"
	\$	per "occurrence"
Bodily Injury Liability and Property Damage Liability Combined	\$	per "claim"
	\$25,000.00	per "occurrence"
Personal and Advertising Injury	\$	per "claim"
	\$	per "occurrence"
	\$	per any one person or organization
Fire	\$	per fire
Medical Expenses	\$	per person
Aggregate Amount	\$	<u>1,000,000</u>

(If no entry appears in the above Schedule, information required to complete this Endorsement will be shown in the Declarations of the policy to which this Endorsement applies.)

### APPLICATION OF ENDORSEMENT

1. Our obligation to pay those sums that you become legally obligated to pay as damages applies only to the amount of damages in excess of any Self-Insured Retention stated in the Schedule above to which the Policy would otherwise apply, subject to the Limits of Insurance set forth in the Declarations of the policy to which this Endorsement applies and the "occurrence" to which the Policy applies.

"Allocated Loss Adjustment Expenses" for claims within the Self-Insured Retention shall be paid by you and shall reduce the Self-Insured Retention amounts stated in the above Schedule. After the Self-Retention amount has been exceeded, we shall pay all "Allocated Loss Adjustment Expenses".

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"Allocated Loss Adjustment Expenses" is defined as those expenses under the "Supplementary Payments" section of the Policy which we directly allocate to a particular claim.

2. The Self-Insured Retention amounts stated in the above Schedule on a "per claim" basis, on a "per occurrence" basis or as an "Aggregate" apply as follows:

**A. PER CLAIM BASIS** - If the Self-Insured Retention is on a "per claim" basis, the Self-Insured Retention amount applies:

1. Under the Bodily Injury Liability or Property Damage Liability Coverage, respectively:
  - a. To all damages because of "bodily injury" sustained by one person, or
  - b. To all damages because of "property damage" sustained by one person or organization, as the result of any one "occurrence".
2. Under Bodily Injury Liability and Property Damage Liability Coverage combined, to all damages because of "bodily injury" and "property damage" sustained by one person or organization as the result of any one "occurrence".
3. Under the Personal and Advertising Injury Coverage, to all damages because of "personal injury" and "advertising injury" sustained by one person or organization, as the result of any one "occurrence".

**B. PER OCCURRENCE BASIS** - If the Self-Insured Retention is on a "per occurrence" basis, the Self-Insured Retention amount applies:

1. Under Bodily Injury Liability or Property Damage Liability Coverage, respectively:

- a. To all damages because of "bodily injury" as the result of any one "occurrence",  
or
- b. To all damages because of "property damage" as the result of any one  
"occurrence"

regardless of the number of persons or organizations who sustain damages because of that "occurrence".

- 2. Under Bodily Injury Liability and Property Damage Liability Coverage combined, to all damages because of "bodily injury" and "property damage" as the result of any one "occurrence" regardless of the number of persons or organizations who sustain damages because of that "occurrence".

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- 3. Under the Personal and Advertising Injury Coverage, to all damages because of "personal injury" and "advertising injury" as the result of any one "occurrence" regardless of the number of persons or organizations who sustain damages because of that "occurrence".

**C. AGGREGATE AMOUNT** - If an "Aggregate Amount" is shown in the above Schedule:

- 1. When as a result of the application of the Self-Insured Retention, the total of all paid Self-Insured Retention losses exceeds the amount shown as "Aggregate Amount" in the above Schedule, we will then pay for all damages that would otherwise be payable without applying any further Self-Insured Retention, but the amount we will pay is limited as described under all provisions of the Policy applying to the Limits of Insurance.
- 2. The "Aggregate Amount" applies separately to each policy year. Each policy year:
  - a. begins with the inception or anniversary date of the Policy; and
  - b. ends at the next anniversary date or the expiration of the Policy.
- 3. In the event of any "occurrences", "claims" or "suits" which have or may result in payments within the Self-Insured Retention amount or the Limits of Insurance:
  - A. You must notify us in writing as soon as practicable but not later than 60 days after you receive notice of any "occurrence", "claims" or "suit" involving:
    - 1. a fatality;
    - 2. dismemberment or amputation;

3. paraplegia or quadriplegia;
4. loss or impairment of eyesight or hearing;
5. any loss which in your reasonable judgment, taking into account past or anticipated "Allocated Loss Adjustment Expenses" in connection with the loss, may result in payments equal to or exceeding 50% of the Self-Insured Retention;
6. brain injuries;
7. burns; or
8. any claim in which a "suit" has been filed.

B. On a quarterly basis, you or your loss adjusting representative must provide us with a written summary of all "occurrences", "claims" or "suits" which have or may result in payments within the Self-Insured Retention amount. This written summary must show:

1. the date of the "occurrence," and
2. the name(s) of the injured person(s) or identification of the damaged property, and
3. a description of the injury or damage, and
4. the amount paid or set aside as a reserve, including "Allocated Loss Adjustment Expenses", resulting from the "occurrence", "claim" or "suit".

C. We reserve the right to audit and review the claim handling by the claim service provider at any time, and to verify that procedures, documentation and all other reasonable requirements are met.

4. You shall be responsible for the investigation, defense and settlement of any "claim" or "suit" for damages within the Self-Insured Retention, and for the payment of all "Allocated Loss Adjustment Expenses". You shall exercise utmost good faith, diligence and prudence to settle all "claims" and "suits" within the Self-Insured Retention.

We shall have the right but not the duty to participate with you at our own expense in the defense or settlement of any "claim" or "suit" seeking damages covered under the Policy. In the event of a "claim" or "suit" which in our reasonable judgment may result in payments, including "Allocated Loss Adjustment Expenses", in an amount in excess of the Self-Insured Retention, we may, at our sole discretion, assume control of the defense or settlement of such

"claim" or "suit". You will continue to be responsible for the payment of the Self-Insured Retention.

5. We shall only be liable for losses covered under the Policy up to the Limits of Insurance in excess of the Self-Insured Retention listed in the Schedule hereof, whether or not such Self-Insured Retention is recoverable or collectible.
6. If other insurance, whether or not recoverable or collectible, is available to you which is applicable to any "occurrence", "claim" or "suit" within the Self-Insured Retention, you shall continue to be responsible for the Self-Insured Retention listed in the Schedule hereof.

-----All other terms and conditions remain unchanged.-----

Countersigned: \_\_\_\_\_  
Countersignature                      Date

By: \_\_\_\_\_  
Authorized Signature



POLICY NUMBER: 4 003 527 GLP

COMMERCIAL GENERAL LIABILITY

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

### STOP-GAP EMPLOYERS LIABILITY

This endorsement modifies insurance provided under the following:

#### COMMERCIAL GENERAL LIABILITY COVERAGE PART

SECTION I - COVERAGES, COVERAGE A. BODILY INJURY AND PROPERTY DAMAGE LIABILITY subsection 2.e., Exclusions - Employers Liability is amended as follows:

This exclusion does not apply to damages you become legally obligated to pay because of bodily injury to your employees provided:

- A. such employee is reported and declared under the Workers Compensation State Fund in the states of Nevada, North Dakota, Ohio, Washington, West Virginia and Wyoming; and
- B. such employment is necessary or incidental to your work in that designated state.

The damages we will pay, where recovery is permitted by law, include damages:

- 1. for which you are liable to a third party by reason of a claim or suit against you by that third party to recover the damages claimed against such third party as a result of injury to your employee;
- 2. for care and loss of services; and
- 3. for consequential bodily injury to a spouse, child, parent, brother or sister of the injured employee;

Provided that these damages are the direct consequence of bodily injury that arises out of and in the course of the injured employee's employment by you.

For coverage provided by this endorsement, we will defend any suit against you seeking such damages. We may investigate and settle at our discretion any such claim or suit.

We will not defend any such suit or pay any such claim after we have used up the applicable Limit of Insurance applicable to this endorsement by payment of judgments or settlements.

#### ADDITIONAL EXCLUSIONS:

In addition to the exclusions provided under SECTION I - COVERAGES, COVERAGE A. BODILY INJURY AND PROPERTY DAMAGE LIABILITY, subsection 2, Exclusions, Insurance provided by this endorsement does not apply to the following additional exclusions:

#### FINES OR PENALTIES

any assessment, penalty or fine levied by any regulatory or inspection agency or authority.

#### ASSUMED LIABILITY

any liability assumed by the insured under any contract or agreement.

#### STATUTORY OBLIGATIONS TO EMPLOYEES

any obligation imposed by a Workers Compensation, occupational disease, unemployment compensation or disability benefits law, or under any similar law.

#### UNLAWFUL EMPLOYMENT

bodily injury sustained by any employee while employed in violation of law with your actual knowledge or the actual knowledge of any of your executive officers.

#### VESSEL EMPLOYEES

-----bodily injury sustained by any employee while employed as a master or member of a crew or vessel.-----

#### AIRCRAFT EMPLOYEES

bodily injury sustained by any employee while employed as a member of the flying crew of any aircraft.

#### INTENTIONAL INJURY

bodily injury caused by any act committed by or at the direction of the insured with deliberate intent to injure. This exclusion does not apply to bodily injury sustained by any employee due to an intentional act of a fellow employee that is neither expected nor intended by you.

#### AGE LAW VIOLATIONS

bodily injury sustained by any employee employed in violation of any law as to age with the actual knowledge of the insured.

#### FAILURE TO COMPLY WITH WORKERS COMPENSATION LAWS

bodily injury with respect to which the insured is deprived of any defense or defenses or is otherwise subject to penalty because of failure to comply with the provisions of any Workers Compensation Law.

#### FEDERAL STATUTES

bodily injury sustained by any employee of the insured in the course of any employment to the extent it is compensable under the:

1. United States Longshoremen's and Harbors Workers' Compensation Act, U.S.C.A. (1927) Title 33, Section 901-49;
2. Federal Employers' Liability Act, U.S.C.A. (1906) Title 45, Sections 931-936;
3. Federal Mine Safety and Health Act, 30 U.S.C.A (1927) Sub Chapter 4, Sections 931-936;

including all amendments thereto.

### LIMITS OF INSURANCE

Bodily Injury By Accident - Each Accident	\$ <u>1,000,000</u>
Bodily Injury By Accident - Each Employee	\$ <u>1,000,000</u>
Bodily Injury by Disease - Each Employee	\$ <u>1,000,000</u>
Bodily Injury by Disease - Policy Limit	\$ <u>1,000,000</u>

Our Limits of Insurance for coverage provided by this endorsement are apply as explained below:

1. Bodily Injury by Accident. The limit shown for "Bodily Injury by Accident - Each Accident" is the most we will pay for all damages covered by this insurance because of bodily injury to one or more employees in any one accident. The limit shown for "Bodily Injury by Accident - Each Employee" is the most we will pay for all damages because of bodily injury by accident to any one employee.

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A disease is not bodily injury by accident unless it results directly from bodily injury by accident.

2. Bodily Injury by Disease. The limit shown for "Bodily Injury by Disease - Policy Limit" is the most we will pay for all damages covered by this insurance and arising out of bodily injury by disease, regardless of the number of employees who sustain bodily injury by disease. The limit shown for "Bodily Injury by Disease - Each Employee" is the most we will pay for all damages because of bodily injury by disease to any one employee.

Bodily Injury by disease does not include disease that results directly from a bodily injury by accident.

Coverage provided under this endorsement applies to bodily injury by accident or bodily injury by disease. Bodily injury includes resulting death.

1. The bodily injury must arise out of and in the course of the injured employee's employment by you.
2. Bodily injury by accident must occur during the policy period.
3. Bodily injury by disease must be caused or aggravated by the conditions of your employment. the employee's last day of last exposure to the conditions causing or aggravating such bodily injury by disease must occur during the policy period.

The following additional conditions apply to coverage provided under this endorsement:

1. The insured will maintain full workers compensation insurance coverage in the Workers Compensation State Fund in the state designated during the term of this insurance or shall be a qualified self insurer approved by the State Workers' Compensation Commission.
2. This insurance supersedes and replaces any other similar insurance which may be found elsewhere in this policy.
3. The Limits of Insurance provided in this endorsement are separate from any other liability limits provided by this policy. No other liability limits as described in SECTION III - LIMITS OF INSURANCE are applicable to coverage provided by this endorsement.

**POLICY NUMBER: 4 003 527 GLP**

**COMMERCIAL GENERAL LIABILITY**

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY**

**AMENDMENT - WORLDWIDE COVERAGE TERRITORY**

This endorsement modifies insurance provided under the following:

**COMMERCIAL GENERAL LIABILITY COVERAGE PART**

1. The definition of "coverage territory" is hereby deleted in its entirety and replaced with the following:

"Coverage territory" means all parts of the world subject to the following additional conditions:

- a. We will reimburse you for any incurred loss or expense if we are prevented by law or otherwise from making payments on your behalf;
- b. Notwithstanding any other provision of this endorsement or of this policy, we shall have the right and the duty, if permitted by law or otherwise, to investigate, defend and settle any claim or "suit". In the event we are not authorized to investigate, settle or defend any case you shall, with our supervision, make or cause to be made such investigation and defenses as are reasonably necessary and, subject to our prior authorization, will effect to the extent possible such settlement(s) as we and you deem necessary and, within the applicable limits of liability of the policy, for the amounts of such authorized settlements; and
- c. We assume no responsibility to furnish certificates, other evidence of insurance, bonds, or comply with the laws of other nations relating to any coverage provided by this policy within such jurisdictions. All penalties for non-admitted insurance which are imposed by any nation to which this coverage applies are your exclusive responsibility.

2. The Other Insurance condition of the COMMERCIAL GENERAL LIABILITY CONDITIONS is hereby deleted in its entirety and replaced with the following:

**OTHER INSURANCE**

This Insurance is excess over all other insurance, whether primary, excess, contingent or on any other basis, unless purchased by you specifically to apply in excess of this insurance.

3. When this insurance is excess over other insurance, we will pay only our share of the amount of the loss, if any, that exceeds the sum of:
  - (1) The total amount that all such other insurance would pay for the loss in the absence of the insurance; and
  - (2) The total of all deductible and self-insured amounts under all the other insurance.

Other terms and conditions of the policy remain unchanged.



POLICY NUMBER: 4 003 527 GLP

COMMERCIAL GENERAL LIABILITY

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## NON-OWNED WATERCRAFT AMENDMENT

This endorsement modifies insurance provided under the following

### COMMERCIAL GENERAL LIABILITY COVERAGE PART

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It is understood and agreed that with respects COMMERCIAL GENERAL LIABILITY COVERAGE FORM, Coverage A Exclusions Section, Paragraph g (2)(a) is amended to read as follows:

(a) Up to 51 feet long

All other terms and conditions remain unchanged.



**ENDORSEMENT**

**# 1**

**THIS ENDORSEMENT EFFECTIVE: 12:01 A.M. 06/30/98 FORMS A PART OF**

**POLICY NO.: 4 003 527 GLP ISSUED TO: Gencor Industries, Inc.**

**BY: GERLING AMERICA INSURANCE COMPANY**

**NAMED INSURED**

1. Gencor Industries, Inc.
2. Gencor Combustion Corporation a/k/a Genco
3. Hy-Way Heat System
4. Bituma-Stor, Inc.
5. Bituma Corporation
6. Bituma General Services
7. Genco-Sellers, Inc.
8. The Davis Line, Inc. a/k/a Gencor Hetherington and Berner
9. Midwest Tank & Construction Holding Corporation
10. Midwest Tank & Mfg. Co., Inc.
11. Midwest Construction Co., Inc.
12. Gencor Systems, Inc.
13. Gencor FSC, Ltd.
14. Thermotech System Corporation
15. General Combustion, Ltd.
16. Equipment Service Group, Inc.
17. Gencor Travel Services
18. Consolidated Process Machinery
19. California Pellet Mills
20. Thermotech System Corporation of Florida
21. Zeig Sheet Metal
22. D. C. Carbotronics

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Authorized Representative

**Gerling America Insurance Company**

**ENDORSEMENT  
# 2**

**THIS ENDORSEMENT EFFECTIVE: 12:01 A.M. 06/30/98 FORMS A PART OF**

**POLICY NO.: 4 003 527 GLP ISSUED TO: Gencor Industries, Inc.**

**BY: GERLING AMERICA INSURANCE COMPANY**

**FELLOW EMPLOYEE EXCLUSION**

----- It is hereby understood and agreed that with respects to Commercial General Liability Coverage -----  
Form, Section II - Who is an Insured, Item 2.a. (1)(a) is deleted in its entirety.

All other terms and conditions remain unchanged.

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Authorized Representative

**ENDORSEMENT**

**# 3**

**THIS ENDORSEMENT EFFECTIVE: 12:01 A.M. 06/30/98 FORMS A PART OF**

**POLICY NO.: 4 003 527 GLP ISSUED TO: Gencor Industries, Inc.**

**BY: GERLING AMERICA INSURANCE COMPANY**

**NOSE ENDORSEMENT**

In consideration of the premium charged, it is hereby understood and agreed that coverage hereunder is extended to include claims which are first made against the Insured during the period of this policy and which are also reported by the Insured to the Company hereunder in writing during the period of this policy and which arise solely out of occurrences occurring between the dates shown below:

Mechtron International Corp.	3/1/86 and 5/1/91
Bituma Corporation	5/1/87 and 5/1/91
Bituma General Services	5/1/87 and 5/1/91
Bituma Construction Equipment	5/1/87 and 5/1/91
Bituma-Stor, Inc.	5/1/87 and 5/1/91
All Other Entities	1/1/88 and 5/1/91

It is also understood and agreed that the inclusion of such coverage as is provided by this endorsement shall not exceed \$1,000,000 in the aggregate. This endorsement shall not increase or extend the overall aggregate limit of the Company. The word "claim" as used in this endorsement shall mean a written demand to the Insured by a third party for monetary damages.

All other terms and conditions of the policy remain unchanged.

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Authorized Representative

**Gerling America Insurance Company**



**EMPLOYEE BENEFITS LIABILITY COVERAGE FORM**

**THIS COVERAGE FORM PROVIDES CLAIMS MADE COVERAGE. PLEASE READ THE ENTIRE FORM CAREFULLY.**

Various provisions in this policy restrict coverage. Read the entire policy carefully to determine rights, duties and what is and is not covered.

Throughout this policy the words You and Your refer to the Named Insured shown in the Declarations. The words We, Us, and Our refer to the Company providing this insurance.

The word Insured means any person or organization qualified as such under SECTION II - WHO IS AN INSURED.

Other words and phrases that are in quotations have special meaning. Refer to Section VI - DEFINITIONS.

**SECTION I - EMPLOYEE BENEFITS LIABILITY COVERAGE****1. Insuring Agreement**

- a. We will pay those sums that the Insured becomes legally obligated to pay as damages because of any improper advice, error or omission in the "administration" of Your "Employee Benefits Programs" by persons authorized by You. No other obligation or liability to pay sums or perform acts or services is covered. This insurance applies only to such advice, errors or omissions which occur in the "coverage territory". This insurance does not apply to any improper advice, error or omission in the "administration" of Your "Employee Benefits Programs" which occurred before the Retroactive date, if any, shown in the Declarations or which occurs after the policy period. We will have the right and duty to defend any "suit" seeking those damages. But:

- (1) The amount We will pay for damages is limited as described in SECTION III - LIMITS OF INSURANCE;
- (2) We may investigate and settle any claim or "suit" at Our Discretion; and
- (3) Our right and duty to defend ends when We have used up the applicable limit of insurance in the payment of judgments or settlements.

- b. This insurance applies to claims for damages first made against any Insured during the policy period.

- (1) A claim by a person or organization seeking damages will be deemed to have been made when notice of such claim is received and recorded by any Insured or by Us, whichever comes first.



- (2) All claims for damages arising from the same or substantially similar or continuous or repeated improper advice, error or omission committed against the same person, including damages claimed by any person or organization for care, loss of services or any other damages, will be deemed to be a single claim which was made at the time the first of those claims is made against any Insured.

## 2. Exclusions

This insurance does not apply to:

- a. Any claim based upon unlawful discrimination.
- b. Any claim with respect to which insurance is afforded in whole or in part under any other policy, coverage part or endorsement.
- c. Any claim based upon Your failure or the failure to pay or provide the benefits allegedly due under the contracts relating to "Employee Benefits Programs".
- d. Any claim based on the failure of stock, compensation, investment or saving program to produce the financial gain represented.
- e. Any claim based on dishonest, fraudulent, criminal or malicious act or acts or omission by any Insured or employee.

## SECTION II - WHO IS AN INSURED

The qualified word Insured includes You and also includes:

1. All of Your elected and appointed general, division and department officers, directors and stockholders while acting within the scope of their duties as such; and
2. Any of Your employees who are authorized by You to act in the "administration" of Your "Employee Benefits Programs".

## SECTION III - LIMITS OF INSURANCE

1. The Limits of Insurance shown in the Declarations of this coverage and the rules below fix the most We will pay regardless of the number of:
  - a. Insureds;
  - b. Claims made or "suits" brought; or
  - c. Person or organizations making claims or bringing "suits".

2. The aggregate limit is the most We will pay for all damages arising out of all claims covered by this insurance during each consecutive annual period, starting with the beginning of the policy period shown in the Declarations.
3. Subject to 2. above, the Each Claim limit is the most We will pay for all damages arising out of any one claim.
4. If a Deductible Amount - Each Claim is shown in the Declarations, You are obligated to pay that amount of damages for each claim to which this insurance applies. We are obligated to pay only that portion of the total of all damages (subject to the Limits of Insurance) which exceeds that Deductible amount.

#### **SECTION IV - EMPLOYEE BENEFITS LIABILITY CONDITIONS**

##### **1. Duties in the Event of "Occurrence", Claim or "Suit"**

- a. You must see to it that We are notified promptly when improper advice, error or omission in the "administration" of Your "Employee Benefits Programs" occurs which may result in a claim. Notice should include:
  - (1) How, when and where the improper advice, error or omission took place; and
  - (2) The names and addresses of any potential claimant and witnesses.
- b. If a claim is made or "suit" is brought against any Insured, You must see to it that We receive prompt written notice of the claim or "suit".
- c. You and any other involved Insured must:
  - (1) Immediately send Us copies of any demands, notices, summonses or legal papers received in connection with the claim or "suit";
  - (2) Authorize Us to obtain records and other information;
  - (3) Cooperate with Us in the investigation, settlement or defense of the claim or "suit";
  - (4) Assist Us, upon Our request, in the enforcement of any right against any person or organization which may be liable to You because of damage to which this insurance may apply.
- d. No Insured will, except at their own cost, voluntarily make a payment, assume any obligation or incur any expense without Our consent.

##### **2. Legal Action Against Us**

No person or organization has a right under this Coverage Part:

- a. To join Us as a party or otherwise bring Us into a "suit" asking for damages from an Insured; or
- b. To sue Us on this Coverage Part unless all of its terms have been complied with.

### **3. Transfer of Rights of Recovery Against Others To Us**

If any Insured has rights to recover all or part of any payment We have made under this Coverage Part, those rights are transferred to Us. The Insured must do nothing after loss to impair them. At Our request, the Insured will bring "suit" or transfer those rights to Us and help Us enforce them.

## **SECTION V - EXTENDED REPORTING PERIODS**

1. We will provide one or more Extended Reporting Periods, as described below, if:
  - a. This Coverage Part is canceled or not renewed; or
  - b. We renew or replace this Coverage Part with insurance that:
    - (1) Has a Retroactive Date later than the date shown in the Declarations of this Coverage Part; or
    - (2) Does not apply to advice, error or omission on a claims-made basis.

2. Extended Reporting Periods do not extend the policy period or change the scope of coverage provided. They apply only to claims for improper advice, error or omission in the "administration" of Your "Employee Benefits Programs" committed before the end of the policy period but not before the Retroactive Date, if any, shown in the Declarations.

Once in effect, Extended Reporting Periods may not be canceled.

3. A Basic Extended Reporting Period is automatically provided without additional charge. This period starts with the end of the policy period and lasts for:
  - a. Five years for claims arising out of an "occurrence" reported to Us, not later than 60 days after the end of the policy period, in accordance with paragraph 1.a. of SECTION IV - EMPLOYEE BENEFITS LIABILITY CONDITIONS; or
  - b. Sixty days for all other claims.

The Basic Extended Reporting Period does not apply to claims that are covered under subsequent insurance You purchase, or that would be covered but for exhaustion of the amount of insurance applicable to such claims.

4. A Supplemental Extended Reporting Period of unlimited duration is available, but only by an endorsement and for an extra charge. This supplemental period starts when the Basic Extended Reporting Period, set forth in paragraph 3. above, ends.

You must give Us a written request for the endorsement within 60 days after the end of the policy period. The Supplemental Extended Reporting Period will not go into effect unless You pay the additional premium promptly when due.

We will determine the additional premium in accordance with Our rules and rates. In doing so, We may take into account the following:

- a. The exposures insured;
- b. Previous types and amounts of insurance;
- c. Limits of Insurance available under this Coverage Part for future payment of damages; and
- d. Other related factors:

The additional premium will not exceed 200% of the annual premium for this Coverage Part.

This endorsement shall set forth the terms, not inconsistent with this Section, applicable to the Supplemental Extended Reporting Period, including the provision to the effect that the insurance afforded for claims first received during such period is excess over any other valid and collectible insurance available under policies in force after the Supplemental Extended Reporting Period starts.

5. The Basic Extended Reporting Period does not reinstate or increase the Limits of Insurance.
6. If the Supplemental Extended Reporting Period is in effect, We will provide the separate aggregate limits of insurance described below, but only for claims first received and recorded during the Supplemental Extended Reporting Period.

The separate aggregate limits of insurance will be equal to the dollar amount shown in the Declarations in effect at the end of the policy period for Annual Aggregate.

Paragraph 2. of SECTION III - LIMITS OF INSURANCE will be amended accordingly..

## **SECTION VI - DEFINITIONS**

### **1. Administration means:**

- a. The determination of the eligibility of employees to participate in "Employee Benefits Programs";
- b. The enrollment of employees in those programs;
- c. The keeping of records as to those programs;

- d. Interpretation of the provisions of those programs; and
- e. The giving of advice or counsel to employees or their beneficiaries as to their rights or interests in those programs.

**2. Employee Benefits Programs means:**

- a. Group life insurance;
- b. Accident and health insurance;
- c. Dental insurance;
- d. Pension;
- e. Employee stock subscription;
- f. Profit sharing;
- g. Disability;
- h. Retirement; or
- i. Any similar programs offered to employees and their beneficiaries within the "coverage territory".

It also includes workers' compensation, unemployment insurance and social security. If during this policy period You offer additional "Employee Benefits Programs" not described in this policy, then this insurance will also apply to those programs.

- 3. Occurrence** means improper advice, error or omission in the "administration" of Your "Employee Benefits Programs", including continuous or repeated advice, error or omission involving substantially the same general condition as respects each employee.
- 4. Suit** means a civil proceeding in which damages because of improper advice, error or omission to which this insurance applies are alleged. "Suit" includes an arbitration proceeding alleging such damages to which You must submit or submit with Our consent.
- 5. Coverage Territory** means the United States of America, its territories and possessions, Puerto Rico and Canada.



## **EMPLOYEE BENEFITS LIABILITY COVERAGE SUPPLEMENTARY PAYMENTS**

We will pay, with respect to any claim or "suit" We defend:

1. All expenses We incur.
2. The cost of bonds to release attachments, but only for bond amounts within the applicable limit of insurance. We do not have to furnish these bonds.
3. All reasonable expenses incurred by the Insured at Our request to assist Us in the investigation or defense of the claim or "suit," including actual loss of earnings up to \$100 a day because of time off from work.
4. All costs taxed against the Insured in the "suit."
5. Prejudgment interest awarded against the Insured on that part of the judgment We pay. If We make an offer to pay the applicable limit of insurance, We will not pay any prejudgment interest based on that period of time after the offer.
6. All interest on the full amount of any judgment that accrues after entry of the judgment and before We have paid, offered to pay, or deposited in court the part of the judgment that is within the applicable limit of insurance.

These payments will not reduce the limits of insurance.

**EXHIBIT 2- TO PLAINTIFF'S COMPLAINT –FINAL  
JUDGMENT**

IN THE CIRCUIT COURT OF THE NINTH JUDICIAL CIRCUIT IN AND FOR  
ORANGE COUNTY, FLORIDA

CASE NO.: 04-CA-007746  
DIVISION: 32  
COMPLEX BUSINESS  
LITIGATION COURT

FIREMAN'S FUND INSURANCE COMPANY, a  
Foreign corporation a/s/o BASIC RESOURCES, INC.,  
and GEORGE REED, INC., a foreign corporation,

Plaintiff,

vs.

GENCOR INDUSTRIES, INC., a foreign corporation,

Defendant.

---

**FINAL JUDGMENT**

This cause having come before the Court for Jury Trial, and a true and correct Verdict having been rendered herein on January 26, 2007, Final Judgment is entered in favor of Plaintiff, FIREMAN'S FUND INSURANCE COMPANY, a foreign corporation as subrogee of (a/s/o) BASIC RERSOURCES, INC. and GEORGE REED, INC., a foreign corporation Plaintiff ("FFIC") and against Defendant, GENCOR INDUSTRIES, INC., a foreign corporation ("GENCOR") solely on the Breach of Contract Count in the total sum of \$1,916,089.12, exclusive of costs and any attorney's fees that may be awarded hereafter as follows:

1. On FFIC's Breach of Contract Count, Plaintiff shall recover the total sum of \$1,193,825.00, comprising \$959,787.00 for physical damage to property, \$64,322.00 for lost profits, and \$169,716.00 for additional expense. FFIC shall also recover pre-judgment interest on the foregoing, running from July 1, 2001 as the earliest date on which all of the liquidated

**EXHIBIT** 2

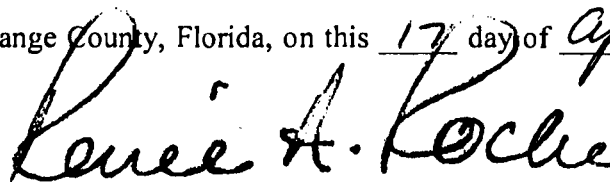
damage sustained by FFIC's insured was incurred, at the legal rate of 11 percent per annum totaling \$722,264.12. Post Judgment interest shall also accrue at the rate of 11 percent per annum in accordance with Florida Statute § 55.05.

2. On FFIC's Negligence Count, Plaintiff shall recover the total sum of \$716,194.00 comprising \$575,872.00 for physical damage to property, \$38,593.00 for lost profits, and \$101,829.00 for additional expense. Plaintiff shall also recover pre-judgment interest on the foregoing running from July 1, 2001 representing the earliest date on which all of the liquidated damage sustained by FFIC's insured was incurred, at the legal rate of 11 percent per annum totaling \$433,297.37. Post Judgment interest shall also accrue at the legal rate of 11 percent per annum in accordance with Florida Statute § 55.05.

In accordance with the Stipulation of record executed by and between the parties and GENCOR's insurer, Gerling America Insurance Company ("GERLING"), and pursuant to the terms and requirements of the GENCOR bankruptcy proceeding in United States Bankruptcy Court for the Middle District of Florida, Orlando Division, Case No.: 00-3597-6J1, this is not an in personam Judgment against GENCOR and shall not be subject to execution against GENCOR.

This Court reserves jurisdiction to award FFIC's taxable costs and to consider any claim for an award of attorney's fees and additional costs pursuant to Florida Statute § 768.79 upon appropriate motion and notice to all affected parties.

**DONE AND ORDERED** in Orange County, Florida, on this 17 day of April, 2007.



**Honorable Renee Roche**  
Circuit Court Judge

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**EXHIBIT 2 TO PLAINTIFF'S SECOND  
AMENDED COMPLAINT - AMENDED  
FINAL JUDGMENT**

IN THE CIRCUIT COURT OF THE NINTH JUDICIAL CIRCUIT IN AND FOR  
ORANGE COUNTY, FLORIDA

CASE NO.: 04-CA-007746  
DIVISION: 32  
COMPLEX BUSINESS  
LITIGATION COURT

FIREMAN'S FUND INSURANCE COMPANY, a  
Foreign corporation a/s/o BASIC RESOURCES, INC.,  
and GEORGE REED, INC., a foreign corporation,

Plaintiff,

vs.

GENCOR INDUSTRIES, INC., a foreign corporation,

Defendant.

---

**AMENDED FINAL JUDGMENT**

This cause having come before the Court for Jury Trial, with a true and correct Verdict having been rendered herein on January 26, 2007, and having come before the Court on May 29, 2007 on Defendant's Motion for Re-Hearing, which was granted in part, Amended Final Judgment is entered in favor of Plaintiff, FIREMAN'S FUND INSURANCE COMPANY, a foreign corporation as subrogee of (a/s/o) BASIC RERSOURCFS, INC. and GEORGE REED, INC., a foreign corporation Plaintiff ("FFIC") and against Defendant, GENCOR INDUSTRIES, INC., a foreign corporation ("GENCOR") solely on the Breach of Contract Count in the total sum of \$1,751,913.10, which is inclusive of pre-judgment interest in the sum of \$558,088.15 but is exclusive of costs and any attorney's fees that may be awarded hereafter as follows:

1. On FFIC's Breach of Contract Count, Plaintiff shall recover the total sum of \$1,193,825.00, comprising \$959,787.00 for physical damage to property, \$64,322.00 for lost profits, and \$169,716.00 for additional expense. FFIC shall also recover pre-judgment interest on the foregoing, in accordance with Burns International Security Services, Inc. of Florida v. Philadelphia Indemnity Insurance Company, 899 So. 2d 361 (Fla. 4<sup>th</sup> DCA 2005) based upon the dates of payment by FFIC to its insured and the interest rates then applicable in the sum of \$558,088.15. Post Judgment interest shall accrue at the rate of 11 percent per annum in accordance with Florida Statute § 55.05.

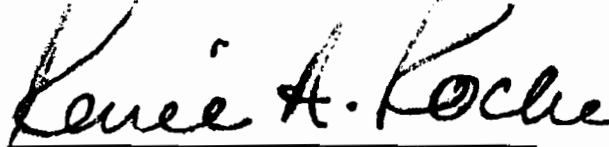
2. On FFIC's Negligence Count, Plaintiff shall recover the total sum of \$716,194.00 comprising \$575,872.00 for physical damage to property, \$38,593.00 for lost profits, and \$101,829.00 for additional expense. Plaintiff shall also recover pre-judgment interest on the foregoing in accordance with Burns International Security Services, Inc. of Florida v. Philadelphia Indemnity Insurance Company, 899 So. 2d 361 (Fla. 4<sup>th</sup> DCA 2005) based upon the dates of payment by FFIC to its insured and the interest rates then applicable in the sum of \$415,517.80. Post Judgment interest shall accrue at the legal rate of 11 percent per annum in accordance with Florida Statute § 55.05.

In accordance with the Stipulation of record executed by and between the parties and GENCOR's insurer, Gerling America Insurance Company ("GERLING"), and pursuant to the terms and requirements of the GENCOR bankruptcy proceeding in United States Bankruptcy Court for the Middle District of Florida, Orlando Division, Case No.: 00-3597-6J1, this is not an in personam Judgment against GENCOR and shall not be subject to execution against GENCOR.

This Court reserves jurisdiction to award FFIC's taxable costs and to consider any claim for an award of attorney's fees and additional costs pursuant to Florida Statute § 768.79 upon appropriate motion and notice to all affected parties.

**DONE AND ORDERED** in Orange County, Florida, on this 11 day of

June, 2007.



**Honorable Renee Roche**  
Circuit Court Judge

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